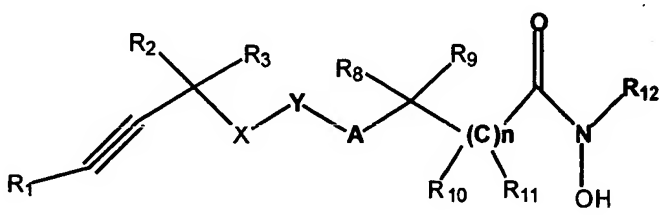
IN THE CLAIMS

Please amend claim 1 to read as follows:

1. (Amended) A compound of formula



wherein:

R_1 is hydrogen, aryl, heteroaryl, alkyl of 1-6 carbon atoms, alkenyl of 2-6 carbon atoms, alkynyl of 2-6 carbon atoms, cycloalkyl of 3-6 carbon atoms, or C_5-C8-cycloheteroalkyl having from 1-2 heteroatoms selected from N, NR_7, S and O;

R_2 and R_3 are each independently, hydrogen, alkyl of 1-6 carbon atoms, -CN, or –CCH;

$R_5$is hydrogen, alkyl of 1-8 carbon atoms, cycloalkyl of 3-6 carbon atoms, aryl, heteroaryl, or C4-C8-cycloheteralkyl;

$R_7$is hydrogen, aryl, aralkyl, alkyl of 1-6 carbon atoms, or cycloalkyl of 3-6 carbon atoms, oxy, C1-C8 alkanoyl, $COOR_5$, COR_5, -SO_2-C1-C8 alkyl, -SO_2-aryl, -SO_2-heteroaryl, -CO-NHR_1;

R_8, R_9, R_{10}, and R_{11} are each, independently, hydrogen, aryl, aralkyl, 5-10 membered heteroaryl having from 1-3 heteroatoms selected from N, NR_7, O and S, heteroaralkyl having from 1-3 heteroatoms selected from N, NR_7, O and S, cycloalkyl of 3-6 carbon atoms, -C_4-C_8-cycloheteroalkyl having from 1-3 heteroatoms selected from N, NR_7, O and S, alkyl of 1-18 carbon atoms, alkenyl of 2-18 carbon atoms, alkynyl of 2-18 carbon atoms;

R_{12} is hydrogen, aryl or 5-10 membered heteroaryl having from 1-3 heteroatoms selected from N, NR_7, S and O, cycloalkyl of 3-6 carbon atoms, -C_5-C8-cycloheteroalkyl having from 1 to 2 heteroatoms selected from N, NR_7, S and O, or alkyl of 1-6 carbon atoms;

A is O, S, SO, SO_2, NR_7, or CH_2;

X is O, S, SO, SO_2, NR_7, or CH_2;

Y is aryl or heteroaryl, with the proviso that A and X are not bonded to adjacent atoms of Y and with the further proviso that Y is not phenyl; and

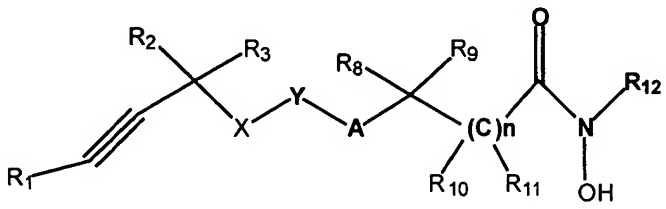
n is 0-2; or a pharmaceutically acceptable salt thereof.

Please amend claim 2 to read as follows:

2. (Amended) A compound according to claim 1 wherein Y is pyridyl, thienyl, furanyl, imidazolyl, triazolyl, or thiadiazolyl.

Please amend claim 5 to read as follows:

5. (Amended) A method of inhibiting pathological changes mediated by TNF-α converting enzyme (TACE) in a mammal in need thereof which comprises administering to said mammal a therapeutically effective amount of a compound having the formula:



wherein:

R_1 is hydrogen, aryl, heteroaryl, alkyl of 1-6 carbon atoms, alkenyl of 2-6 carbon atoms, alkynyl of 2-6 carbon atoms, cycloalkyl of 3-6 carbon atoms, or C5-C8-cycloheteroalkyl having from 1-2 heteroatoms selected from N, NR_7, S and O;

R_2 and R_3 are each independently, hydrogen, alkyl of 1-6 carbon atoms, -CN, or –CCH;

$R_5$is hydrogen, alkyl of 1-8 carbon atoms, cycloalkyl of 3-6 carbon atoms, aryl, heteroaryl, or C4-C8-cycloheteralkyl;

$R_7$is hydrogen, aryl, aralkyl, alkyl of 1-6 carbon atoms, or cycloalkyl of 3-6 carbon atoms, oxy, C1-C8 alkanoyl, $COOR_5$, COR_5, -SO_2-C1-C8 alkyl, -SO_2-aryl, -SO_2-heteroaryl, -CO-NHR_1;

R_8, R_9, R_{10}, and R_{11} are each, independently, hydrogen, aryl, aralkyl, 5-10 membered heteroaryl having from 1-3 heteroatoms selected from N, NR7, O and S, heteroaralkyl having from 1-3 heteroatoms selected from N, NR_7, O and S, cycloalkyl of 3-6 carbon atoms, -C4-C8-cycloheteroalkyl having from 1-3 heteroatoms selected from N, NR_7,

O and S, alkyl of 1-18 carbon atoms, alkenyl of 2-18 carbon atoms, alkynyl of 2-18 carbon atoms;

R_{12} is hydrogen, aryl or 5-10 membered heteroaryl having from 1-3 heteroatoms selected from N, NR_7, S and O, cycloalkyl of 3-6 carbon atoms, -C5-C8-cycloheteroalkyl having from 1 to 2 heteroatoms selected from N, NR_7, S and O, or alkyl of 1-6 carbon atoms;

A is O, S, SO, SO_2, NR_7, or CH_2;

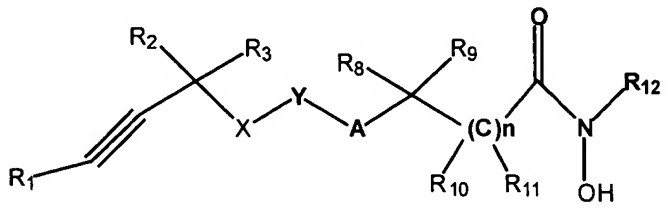
X is O, S, SO, SO_2, NR_7, or CH_2;

Y is aryl or heteroaryl, with the proviso that A and X are not bonded to adjacent atoms of Y and with the further proviso that Y is not phenyl; and

n is 0-2; or a pharmaceutically acceptable salt thereof.

Please amend claim 7 to read as follows:

7. (Amended) A pharmaceutical composition comprising a compound having the formula:



wherein:

R_1 is hydrogen, aryl, heteroaryl, alkyl of 1-6 carbon atoms, alkenyl of 2-6 carbon atoms, alkynyl of 2-6 carbon atoms, cycloalkyl of 3-6 carbon atoms, or C5-C8-cycloheteroalkyl having from 1-2 heteroatoms selected from N, NR_7, S and O;

R_2 and R_3 are each independently, hydrogen, alkyl of 1-6 carbon atoms, -CN, or –CCH;

$R_5$is hydrogen, alkyl of 1-8 carbon atoms, cycloalkyl of 3-6 carbon atoms, aryl, heteroaryl, or C4-C8-cycloheteralkyl;

$R_7$is hydrogen, aryl, aralkyl, alkyl of 1-6 carbon atoms, or cycloalkyl of 3-6 carbon atoms, oxy, C1-C8 alkanoyl, $COOR_5$, COR_5, -SO_2-C1-C8 alkyl, -SO_2-aryl, -SO_2-heteroaryl, -CO-NHR_1;

R_8, R_9, R_{10}, and R_{11} are each, independently, hydrogen, aryl, aralkyl, 5-10 membered heteroaryl having from 1-3 heteroatoms selected from N, NR7, O and S, heteroaralkyl